

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**  
**Project Staff Report**  
**Tax-Exempt Bond Project**  
**August 11, 2021**

Elm Lane Apartments, located at 5301 Elm Lane in Oakley, requested and is being recommended for a reservation of \$2,482,798 in annual federal tax credits and \$1,444,841 in total state tax credits to finance the new construction of 168 units of housing serving large families with rents affordable to households earning 30-70% of area median income (AMI). The project will be developed by Anton DevCo, Inc. and will be located in Senate District 7 and Assembly District 11.

The project financing includes state funding from MIP through CalHFA.

**Project Number** CA-21-573

**Project Name** Elm Lane Apartments  
**Site Address:** 5301 Elm Lane  
Oakley CA, 94561 County: Contra Costa  
**Census Tract:** 3060.02

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State/Total *</b>
Requested:	\$2,482,798	\$1,444,841
Recommended:	\$2,482,798	\$1,444,841

\* The applicant made an election not to sell (Certificate) any portion of the state credits.

**Applicant Information**

**Applicant:** Elm Lane Oakley, L.P.  
**Contact:** Trisha Malone  
**Address:** 1610 R Street, Suite 250  
Sacramento CA, 95811  
**Phone:** (650) 549-1603  
**Email:** tmalone@antondev.com

**General Partner(s) or Principal Owner(s):** PacH Anton South Holdings, LLC  
Anton-AMREV Oakley, LLC

**General Partner Type:** Joint Venture

**Parent Company(ies):** Pacific Housing, Inc.  
Anton DevCo, Inc./ American Real Estate Ventures

**Developer:** Anton DevCo, Inc.

**Bond Issuer:** California Housing Finance Agency

**Investor/Consultant:** Boston Financial Investment Management, LP

**Management Agent:** Anton Residential, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 6  
 Total # of Units: 170  
 No. / % of Low Income Units: 168 100.00%  
 Federal Set-Aside Elected: 40%/60% Average Income  
 Federal Subsidy: Tax-Exempt

**Information**

Housing Type: Large Family  
 Geographic Area: East Bay Region  
 TCAC Project Analyst: Sopida Steinwert

**55-Year Use / Affordability**

<b>Aggregate Targeting Number of Units</b>	<b>Percentage of Affordable Units</b>
30% AMI: 17	10%
50% AMI: 17	10%
60% AMI: 91	54%
70% AMI: 43	26%

**Unit Mix**

84 1-Bedroom Units  
 42 2-Bedroom Units  
44 3-Bedroom Units  
 170 Total Units

<b>Unit Type &amp; Number</b>	<b>2021 Rents Targeted % of Area Median Income</b>	<b>Proposed Rent (including utilities)</b>
9 1 Bedroom	30%	\$770
8 1 Bedroom	50%	\$1,284
46 1 Bedroom	60%	\$1,541
21 1 Bedroom	70%	\$1,798
4 2 Bedrooms	30%	\$924
4 2 Bedrooms	50%	\$1,541
23 2 Bedrooms	60%	\$1,849
11 2 Bedrooms	70%	\$2,084
4 3 Bedrooms	30%	\$1,068
5 3 Bedrooms	50%	\$1,781
22 3 Bedrooms	60%	\$2,137
11 3 Bedrooms	70%	\$2,493
2 3 Bedrooms	Manager's Unit	\$0

**Project Cost Summary at Application**

Land and Acquisition	\$2,478,000
Construction Costs	\$38,461,984
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$1,897,348
Soft Cost Contingency	\$415,000
Relocation	\$0
Architectural/Engineering	\$1,922,153
Const. Interest, Perm. Financing	\$4,532,818
Legal Fees	\$90,000
Reserves	\$731,288
Other Costs	\$9,934,388
Developer Fee	\$8,093,304
Commercial Costs	\$0
<b>Total</b>	<b>\$68,556,283</b>

**Residential**

Construction Cost Per Square Foot:	\$267
Per Unit Cost:	\$403,272
True Cash Per Unit Cost*:	\$373,271

**Construction Financing**

Source	Amount
Citibank - Series A1 Tax-Exempt	\$33,900,000
Citibank - Series A2 Taxable	\$11,000,000
Net Cash Flow During Lease-Up	\$1,242,047
Tax Credit Equity	\$14,162,000

**Permanent Financing**

Source	Amount
CalHFA Senior Mortgage Loan	\$33,530,000
CalHFA MIP Subsidy Loan	\$6,000,000
Net Cash Flow During Lease-Up	\$1,242,047
Deferred Developer Fee	\$5,100,262
Tax Credit Equity	\$22,683,974
<b>TOTAL</b>	<b>\$68,556,283</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$62,069,945
130% High Cost Adjustment:	No
Applicable Fraction:	100.00%
Qualified Basis:	\$62,069,945
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$2,482,798
Total State Credit:	\$1,444,841
Approved Developer Fee (in Project Cost & Eligible Basis):	\$8,093,304
Investor/Consultant:	Boston Financial Investment Management, LP
Federal Tax Credit Factor:	\$0.87000
State Tax Credit Factor:	\$0.75000

Except as allowed for projects basing cost on assumed third party debt, the “as if vacant” land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

**Significant Information / Additional Conditions**

This Project's annual per unit operating expense total is below the TCAC published per unit operating minimums of \$6,500. As allowed by TCAC Regulation Section 10327(g)(1), TCAC approves an annual per unit operating expense total of \$5,615 on agreement of the permanent lender and equity investor.

**Resyndication and Resyndication Transfer Event:** None.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee’s next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a reservation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, TCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from TCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

**CDLAC Additional Conditions**

The applicant/owner is required to comply with the CDLAC Resolution. At the time of the TCAC placed in service review, TCAC staff will verify that the project is in compliance with all applicable items of CDLAC Resolution Exhibit A.